

**LOCAL COMMUNITY STABILIZATION AUTHORITY ACT (EXCERPT)**  
**Act 86 of 2014**

**123.1355 Municipality that is local school district; duties of department.**

Sec. 15. Not later than August 15, 2016, and each August 15 thereafter, for each municipality that is a local school district, the department shall do all of the following:

(a) Calculate the municipality's personal property exemption loss.

(b) Multiply the result of the calculation in subdivision (a) by the sum of the lowest rate of each individual millage levied under section 1212 of the revised school code, 1976 PA 451, MCL 380.1212, and section 2 of 1917 PA 156, MCL 123.52, levied by that municipality in the period between 2012 and the year immediately preceding the current year. For an individual millage rate not levied in 1 of the years, the lowest millage rate is zero.

(c) Adjust the amount calculated under subdivision (b) by the amount required to reflect the final order of a court or body of competent jurisdiction related to any prior year calculation under this section.

(d) Subtract from the result of the calculation in subdivision (b), as adjusted by subdivision (c), the amount calculated under section 16a(2) for captured taxes levied by the municipality under section 1212 of the revised school code, 1976 PA 451, MCL 380.1212, and section 2 of 1917 PA 156, MCL 123.52, not including taxes attributable to increased captured value.

**History:** 2014, Act 86, Eff. Aug. 22, 2014.

**Compiler's note:** Enacting section 2 of Act 86 of 2014 provides:

"Enacting section 2. This act does not take effect unless Senate Bill No. 822 of the 97th Legislature is approved by a majority of the qualified electors of this state voting on the question at an election to be held on the August regular election date in 2014."

Enacting section 3 of Act 86 of 2014 provides:

"Enacting section 3. If Senate Bill No. 822 of the 97th Legislature is not approved by the majority of the qualified electors of this state voting on the question at an election to be held on the August regular election in 2014, for fiscal year 2014-2015, the legislature shall appropriate an amount sufficient to make the appropriation described in section 17(1)(a) for fiscal year 2014-2015."

**Compiler's note:** Pursuant to section 34 of article IV of the state constitution of 1963, a legislative referendum on Act 80 of 2014 was presented to the electors as Proposal 14-1 at the August 5, 2014 primary election. The proposal read as follows:

"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS

The amendatory act adopted by the Legislature would:

1. Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.

2. Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.

3. Increase portion of state use tax dedicated for aid to local school districts.

4. Prohibit Authority from increasing taxes.

5. Prohibit total use tax rate from exceeding existing constitutional 6% limitation.

Should this law be approved?

YES [ ]

NO [ ]".

Act 80 of 2014 was approved by a majority of the voters at the August 5, 2014 primary election. The election results were certified by the Michigan Board of State Canvassers on August 22, 2014.